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CITIZENS SUMMARY

Findings in the audit of the Missouri Court of Appeals, Eastern District

Bidding Procedures	Several purchases were not bid in compliance with the court's administrative bid policy, which requires competitive bidding for purchases of major equipment or furniture over \$500. Court officials said two of the purchases were provided by a sole source contractor or as part of a state contract, but could not provide appropriate supporting documentation.
Payroll and Personnel Policies and Procedures	There is no supervisory review of payroll duties, law clerks are not required to complete timesheets, and a leave policy has not been established for law clerks. This makes it difficult to identify errors, ensure all transactions are legitimate, and ensure employees are treated equitably.
Receipts and Deposits	The court needs to improve its policies and procedures for managing receipts. Receipts are not always entered timely into the state's accounting system and entries are not reviewed for accuracy. We found approximately \$2,300 in receipts that were incorrectly coded. In addition, court receipts are not always deposited on a timely basis, which increases the risk of loss, theft or misuse.
Accounts Receivable	The court does not periodically review accounts receivable, which reduces the likelihood the court will collect the amounts it is owed. As of November 21, 2011, the accounts receivable report listed 654 cases totaling approximately \$45,600 in unpaid filing fees; however, many of the cases were incorrectly on the report due to not properly coding the cases in the system and because errors occurred during a computer system conversion several years ago. In addition, the court also improperly waived fees for some cases.
Capital and Library Assets	The court's procedures and records to account for court property are not adequate. The court has not conducted a physical inventory of the court's equipment and furniture since 2006, and the computer equipment list does not provide the purchase price, purchase date, or disposition of the items. A Law Library physical inventory was conducted in November 2011, but the court did not reconcile the results of the inventory with asset records. The Law Library asset list does not provide the purchase prices of the items, and the judge's law books are not included on any of the asset lists.

In the areas audited, the overall performance of this entity was **Good**.*

American Recovery and Reinvestment Act (Federal Stimulus)	During the year ended June 30, 2010, the Missouri Court of Appeals, Eastern District, spent \$159,866 in Federal Stimulus monies appropriated from the Federal Budget Stabilization-Medicaid Reimbursement Fund to fund general operations of the court.
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*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.